POINT FOUNDATION
FINANCIAL STATEMENTS
December 31, 1984

VINCENT+ROSE INC.
CERTIFIED
PUBLIC ACCOUNTANTS

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VINCENT + ROSE INC.
CERTIFIED
PUBLIC ACCOUNTANTS

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The Board of Directors
Point Foundation
Sausalito, California

We have compiled the accompanying comparative balance sheet of Point Foundation as of December 31, 1987 and 1986, and the related statement of revenue, expense and fund balance, and the statement of cash flows for the years then ended in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Foundation's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Vincent + Rose

Berkeley, California
October 19, 1988

POINT FOUNDATION
BALANCE SHEET
December 31

	1987	1986
ASSETS		
Current Assets:		
Cash	$ 104,548	$ 30,256
Certificate of Deposit	30,000	-0-
Accounts Receivable		
Publications - Net	23,857	26,753
Mailing Lists	7,829	10,774
Other	6,628	2,788
Inventories - Net	1,575	4,253
Total Current Assets	$ 174,437	$ 74,824
Furniture & Equipment:		
Furniture & Equipment	$ 144,333	$ 128,819
Less Accumulated Depreciation	114,718	100,940
Net Furniture & Equipment	$ 29,615	$ 27,879
Other Assets	14,825	13,294
TOTAL ASSETS	$ 218,877	$ 115,997
LIABILITIES AND FUND BALANCE		
Current Liabilities:		
Accounts Payable	$ 25,204	$ 39,136
Accrued Liabilities	3,957	52,680
Advance from the WELL	5,396	8,084
Note Payable	10,000	-0-
Current Portion of Capital Lease Obligation	4,274	7,560
Deferred Subscription Revenue	377,573	275,170
Total Current Liabilities	$ 426,404	$ 382,630
Long-Term Liabilities		
Note Payable	20,000	-0-
Long-Term Portion of Capital Lease Obligation	18,609	1,426
	38,609	1,426
Fund Deficit	(246,136)	(268,059)
TOTAL LIABILITIES AND FUND BALANCE	$ 218,877	$ 115,997

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VINCENT+ROSE INC.
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POINT FOUNDATION
STATEMENT OF REVENUE, EXPENSE, & FUND BALANCE
Year Ended December 31

	1987			1986
	Revenue Received	Related Direct Costs	Net Revenue Contributing To Expenses	Net Revenue Contributing To Expenses
REVENUE & RELATED DIRECT COSTS:				
Publication	$ 583,456	$ 495,123	$ 88,333	$ 66,713
Apple Project	57,000	21,925	35,075	-0-
Public Support	35,649	-0-	35,649	38,632
Mailing List Sales	22,135	2,655	19,480	22,642
All Other	10,999	-0-	10,999	4,248
TOTAL	$ 709,239	$ 519,703	$ 189,536	$ 132,235
GENERAL & ADMINISTRATIVE EXPENSES:				
Salaries & Related Costs			$ 42,334	$ 65,220
Rent			34,679	34,791
Depreciation			18,999	28,587
Telephone & Utilities			12,700	22,086
Grants			18,740	13,000
Postage			7,305	9,483
Maintenance, Repairs, & Rentals			7,187	7,019
Office & Computer Supplies			5,229	5,788
Random House Interest & Fees			-0-	5,070
Interest			1,300	4,690
Legal, Professional, & Copyright			5,776	4,540
Bank Service Fees			3,673	3,572
Taxes			2,069	2,770
Outside Production Services			395	2,747
Travel, Entertainment, & Promotion			713	2,136
Insurance			3,039	2,039
Research Materials			2,172	1,522
Communication & Network Expense			381	1,229
Bad Debt			740	770
Miscellaneous			4,232	2,966
Reimbursed Expenses - THE WELL			(4,050)	(7,385)
TOTAL EXPENSES			$ 167,613	$ 212,640
EXCESS OF EXPENSES OVER REVENUE			$ 21,923	$ (80,405)
FUND BALANCE				
Beginning Fund Balance			(268,059)	(187,654)
ENDING FUND BALANCE			$(246,136)	$(268,059)

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VINCENT+ROSE INC.
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POINT FOUNDATION
STATEMENT OF CHANGES IN FINANCIAL POSITION
Year Ended December 31

	1987		1986	
	CASH	WORKING CAPITAL	CASH	WORKING CAPITAL
FUNDS WERE PROVIDED BY:				
Operations				
Excess of Expense Over Revenue	$ (80,405)	$ (80,405)	$(144,934)	$(144,934)
Expense Not Requiring Funds				
Depreciation	28,587	28,587	35,049	35,049
Loss of Equipment	-0-	-0-	14,399	14,399
Total Funds Provided By Operations	$ (51,818)	$ (51,818)	$ (95,486)	$ (95,486)
Changes in Working Capital Accounts Providing (Using) Cash from Operations				
Decrease in Inventory	$ 28,657		$ 18,201	
Decrease (Increase) in Accounts Payable	23,418		(21,438)	
Increase (Decrease) in Deferred Subscription Revenue	(30,094)		9,674	
Increase (Decrease) in Advance from THE WELL	(7,385)		15,469	
Decrease (Increase) in Accounts Receivable	(3,630)		166,412	
Decrease in Accrued Liabilities	(3,126)		(13,812)	
Decrease in Current Portion of Capital Lease	(563)		(91)	
Cash Provided by Operations	$ (44,541)		$ 78,929	
Other Funds Provided	3,429	3,429	5,502	5,502
TOTAL FUNDS PROVIDED	$ (41,112)	$ (48,389)	$ 84,431	$ (89,984)
FUNDS WERE USED FOR:				
Investment in the Well	$ 9,500	$ 9,500	$ -0-	$ -0-
Paydown on Capital Lease	7,560	7,560	8,123	8,123
Acquisition of Equipment	4,599	4,599	4,244	4,244
TOTAL FUNDS USED	21,659	21,659	12,367	12,367
INCREASE (DECREASE) IN FUNDS	$ (62,771)	$ (70,048)	$ 72,064	$(102,351)

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POINT FOUNDATION
STATEMENT OF CASH FLOWS
December 31

	1987	1986
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of (Expenses) Over Revenue	$ 21,923	$ (80,405)
Adjustments to Reconcile Excess of Expenses Over Revenue to Net Cash Provided By Operating Activities:		
Depreciation	$ 18,999	$ 28,587
Loss on Sale of Assets	1,048	1,629
Decrease (Increase) in Other Assets	(1,531)	1,500
Change in Current Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	2,001	(3,630)
Decrease in Inventory	2,678	28,657
Increase (Decrease) in Accounts Payable	(13,932)	23,418
Decrease in Accrued Liabilities	(48,723)	(3,126)
Decrease in Advance From THE WELL	(2,688)	(7,385)
Increase in Short Term Note	10,000	-0-
Increase (Decrease) in Deferred Subscription Liability	102,403	(30,094)
Total Adjustments	70,255	39,556
Net Cash Provided By Operating Activities	$ 92,178	$ (40,849)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	$ (22,602)	$ (4,599)
Proceeds From Sale of Fixed Assets	819	300
Net Cash Used in Investing Activities	$ (21,783)	$ (4,299)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowing on Notes	$ 20,000	$ -0-
Acquire Lease Obligation	21,457	-0-
Paydown on Capital Lease	(7,560)	(8,123)
Investment in THE WELL	-0-	(9,500)
Net Cash Provided (Used) By Financing Activities	$ 33,897	$ (17,623)
NET INCREASE IN CASH	$ 104,292	$ (62,771)
Cash at Beginning of Year	30,256	93,027
Cash at End of Year	$ 134,548	$ 30,256

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